

NE H-2

3 December 1956

MEMORANDUM FOR THE RECORD.

SUBJECT: Participation of [] Foreign Nationals in GEHA

[] employs foreign national personnel for an indefinite period of time by appointment action. Heretofore, the Insurance Office has interpreted that these employees were eligible for GEHA coverage and to date there are nine members. This interpretation was confirmed at the time the recent drive opened and [] accordingly issued Notice [] (attached). On 29 November the Insurance Office advised [] that a ruling of the Board made all non-citizens ineligible. This will create a critical morale problem for [] unless it is rescinded.

(1) [] foreign nationals are not the housekeeping type of indigenous personnel usually employed by U.S. government agencies and abroad but are specifically recruited and selected for their abilities and skills in foreign languages. Neither are they employed on a contract basis but sign a transportation agreement. They understand their employment, if satisfactory, is on a career basis and they work side by side with Americans, except at lower salaries and without fringe benefits such as retirement or government deductible insurance. This lack of fringe benefits has long been a source of concern to these people and several long-time employees have considered it necessary to leave the employ of [] because there was no retirement security and salaries are not proportionately large enough to take care of normal emergencies. The privilege of joining the GEHA insurance plans has been a very important morale factor. To remove this now would be disastrous and would void much of [] success over the years in building up the career concept in these employees.

(2) There has been government-wide recognition of the necessity to develop security and health plans for the foreign employees of the U.S. Government (Reference: Foreign Employees Personnel Act of 1956). To permit [] foreign employees to continue participation in a fringe benefit of the GEHA type now is in consonance with the intent of the Act.

(3) [] exploits this fringe benefit as a recruiting aid. Greater and greater competition is encountered in recruiting these highly qualified persons and to convince them to accept employment and move from European capitals to such places as [] where normal activity is curtailed and no cultural activity exists.

(4) There is no security implication. [] Foreign national and indigenous understand they work for [] an overt U.S. Government agency and that their insurance, GENA, is a U.S. Government insurance. All payments to and from are handled through the [] Headquarters office.

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[] holds 26 paid applications for foreign personnel for the current GENA drive pending the Board's decision.

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Attachment

MAIL ROOM

DEC 15 3 12 PM '28

OFFICE OF PERSONNEL

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6 Nov 1956

**MEMORANDUM FOR: Insurance Branch
Benefits and Casualty Division
Office of Personnel**

SUBJECT : Commendation

1. Now that the local Agency Hospitalization and Life Insurance drive has been brought to a successful conclusion, I should like to take this opportunity to highly commend the Insurance Branch, Benefits and Casualty Division, Office of Personnel on a job well done.

2. In all phases of this operation each unit of this Branch carried out its assignments in a superior manner. Despite the unusual pressure encountered by all of you during this month long drive, you consistently displayed courtesy, tact and a sympathetic understanding in assisting your fellow employees with their problems. Frequent laudatory statements have reached this Office relative to your fine performance of duty.

3. Especially is it realized that the team of girls manning the Cashiers Office were under continuous pressure for many hours each day, yet never failed to combine the virtues above mentioned along with constant vigilance in accurately performing all procedural functions.

4. Again, you may all well be proud of these fine accomplishments.

15/
Harrison G. Reynolds
Director of Personnel

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